

North Korea Sanctions Enforcement Act of 2014

Key Sectional Analysis

Title I—Investigations, Prohibited Conduct, and Penalties.

Section 101. This section states that it is the policy of the United States to pursue vigorously sanctions against the North Korean government in order to peacefully disarm Pyongyang.

Section 102. This section mandates that the President investigate sanctionable conduct involving North Korea upon the receipt of credible information that a person or entity has engaged in such activity. Among other things, this may include proliferation of weapons of mass destruction, arms related materials, luxury goods, and counterfeit goods. This provision would prevent any Administration from ignoring destructive North Korean behavior.

Section 103. This section requires regular briefings to Congress on North Korean assets and transactions, so that Congress can oversee the enforcement of sanctions and ensure that North Korea is cut off from its offshore assets and income. It also requires the Administration to be more forthcoming with providing information to Congress.

Section 104. This section describes the conduct and entities subject to sanctions. It mandates blocking sanctions (the prohibition on any transfers in financial instruments or other property) against persons that have materially contributed towards North Korea's nuclear, ballistic missile development and other unconventional programs. While this prohibition is contained in existing Executive Orders, this legislation makes such violations mandatory, rather than discretionary. It sanctions persons that engage in other destructive activities—from importing or exporting into North Korea related WMD materiel, to producing training or advice to their unconventional and conventional weapons programs. It also levies mandatory sanctions on those who import luxury goods into North Korea, or enable its censorship efforts or continuing human rights abuses. Finally, it strikes at the heart of their efforts to fund their illicit activities by requiring sanctions against those who have engaged in money laundering, counterfeit goods manufacture, or narcotics trafficking.

This section also provides the Administration the necessary tools to sanction North Korea's third-party enablers transferring or the facilitating the transfer of financial assets and property of the North Korea regime.

Section 105. This section seizes assets forfeited for violations of North Korea sanctions laws, and provides it to the US Treasury.

Title II-Sanctions against North Korean proliferation, human rights abuses, and illicit activities.

Section 201. This section instructs the Secretary of the Treasury to determine whether North Korea is a "primary money laundering concern." If such a determination was made, that would block North Korean banks from direct or indirect access to the U.S. financial system, and require "special measures" against designated persons, North Korean government entities, and banks that provide financial services to entities found to have engaged in sanctionable conduct. Such a designation could have a debilitating effect on North Korea's ability to access the international financial system.

Section 202. This section finds that all states and jurisdictions are obligated to implement and enforce UN Security Council resolutions and provides as a sense of Congress that the President should intensify efforts to implement a diplomatic strategy to protect the global financial system from North Korean threats.

Section 203. This section re-imposes sanctions under the Export Administration Act and the Arms Export Control Act that applied to North Korea until it was removed from the list of state sponsors of terrorism in 2008. The provision will statutorily prohibit the export of munitions to North Korea and severely restrict export licenses for the for controlled good and technologies, and sanction those who send or receive lethal military equipment from North Korea as if the regime were still designated a state sponsor of terrorism.

Section 204. This section bars designated persons, their officers, and their subsidiaries from receiving U.S. government contracts. If a person is enabling or facilitating the regime's destructive policies, they should not be eligible to receive US Government contracts.

Section 205. This section requires the Administration to provide briefings identifying foreign sea ports and airports whose inspections of vessels originating from North Korea are deficient. Cargo coming from ports that consistently fail to inspect North Korean cargo, as required by U.N. resolutions, may be subject to increased inspection requirements at U.S. ports. It also allows for the seizure of ships or aircraft used for smuggling. This provision is critical as that it protects the US homeland from ports that deliberately fail to sufficiently inspect North Korean cargo.

Section 206. This section allows the President to deny the entry into the U.S. of any alien who is a person that has been sanctioned under this Act. If a person is an enabler of the North Korean regime, you should not be granted a visa or access to the United States.

Section 207. This section provides for exclusions and waivers from sanctions for humanitarian aid, consular activities, for cooperating witnesses and banks, and when vital to the economic or national security interests of the United States.

Title III—Promotion of Human Rights.

Section 301. This section requires the President to study the feasibility of bringing unmonitored and inexpensive cellular and internet communications to the people of North Korea, to break the information blockade the regime has imposed on its own population. This information has proven crucial in changing the perception of the North Korean people about the nature of the Kim regime and the outside world.

Section 302. This section requires a report by the State Department on North Korea's political prison camps, which are estimated to hold up to 200,000 men, women, and children. It is meant to focus greater public attention on North Korea's grave and pervasive crimes against humanity.

Section 303. This section requires a report by the State Department that identifies severe human rights abusers in North Korea, utilizing information collected in the recent U.N. Commission of Inquiry Report on North Korean human rights abuses, the most comprehensive such report to date. This will bring needed attention to the North Korean human rights disaster.

Title IV— General Authorities.

Section 401. This provision provides for a one-year suspension of sanctions, renewable for one consecutive year, if North Korea takes significant steps toward disarmament and reform, while preventing the premature relaxation of sanctions for false North Korean promises.

Section 402. This section terminates these sanctions if North Korea undergoes a fundamental change of governance toward an open, free, and peaceful society.